

German Chancellor Angela Merkel won't like to hear this advice from her advisers: While her government is working hard to reform renewable energy laws, a commission of experts appointed by the Bundestag is recommending to completely abolish the Renewable Energy Sources Act (EEG). In its annual report, the the Expert Commission on Research and Innovation concludes that the Green Energy Law is neither a cost-effective tool for climate protection nor does it have any measurable impact on innovation. "For both reasons, therefore, there is no justification for the continuation of the EEG," concludes the report which will be presented to the Chancellor on Wednesday. —Andreas Mihm, [Frankfurter Allgemeine Zeitung](#), 25 February 2014

BASF, the world's biggest chemical maker by sales, will make the most of its capital investments outside Europe for the first time, as it responds to the continent's higher energy costs and growing demand in North America and emerging markets such as China. "In Europe we have the most expensive energy and we are not prepared to exploit the energy resources we have, such as shale gas. We have relatively high wage costs and we have a stagnating market," said Kurt Bock, BASF chief executive. Mr Bock has been a prominent critic of German and European Union climate and energy policies, arguing these are ineffective, raise costs for industry and cause job losses. —Chris Bryant, *Financial Times*, 26 February

As Europe starts to emerge from its worst recession since the Second World War, policymakers are reconsidering the EU's global leadership on climate change for fear that it might hinder the fledgling recovery. For industry ministers, this means environmental policies such as climate change need to be considered in a broader context, which also looks at their impact on industrial activity. "The political climate is totally different" today than it was before the financial crisis erupted in 2008, said Kostis Hatzidakis, the Greek minister for development and competitiveness who chaired last week's ministerial meeting. "There is a shift towards industrial policy," Hatzidakis added. "I think all of us have realised the mistakes committed in the past." —[EurActiv](#), 25 February 2014

If anyone thinks Germany's move to renewable energies has been a success, you may want to take a few minutes and read what center-left news weekly *Der Spiegel* has just written. Overall Germany's energy revolution has made the country's energy unaffordable, unreliable and has ruined its own idyllic landscape, and ravaged rainforests abroad as well. "Rising energy costs are becoming a problem for more and more citizens in Germany. Just from 2008 to 2011 the share of energy-poor households in the Federal Republic jumped from 13.8 to 17 percent." Much of the rapid increase in energy prices is owing to Germany's growth in expensive wind and solar energy. Ironically, despite more than 20% of Germany's energy now being supplied by renewables, CO2 emissions have been rising just the same. —Pierre Gosselin, [No Tricks Zone](#), 24 February 2014

The great irony of Germany's Energiewende – its recent "green" energy transformation – has been a sudden revival of the country's coal industry. Environmentalists held up Germany as a global green paragon at the start of the Energiewende; its spectacular failure is a warning to the rest of the world of the

dangers of letting starry-eyed greens push through reactionary energy policies.—
Walter Russell Mead, [The American Interest](#), 18 February 2014

The biggest issue facing the American economy, and our political system, is the gradual descent of the middle class into proletarian status. Neither party has a reasonable program to halt the decline of the middle class. Previous generations of liberals recognized broad-based economic growth was a necessary precursor to upward mobility and social justice. However, many in the new wave of progressives engage in fantastical economics built around such things as “urban density” and “green jobs,” while adopting policies that restrict growth in manufacturing, energy and housing.—Joel Krotkin, [Forbes](#), 16 February 2014